

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Nakano Analyst: Marion Mann DeJong Bill Number: AB 2768

Related Bills: See Prior Analysis Telephone: 845-6979 Amended Date: 05/02/2000

Attorney: Patrick Kusiak Sponsor:

SUBJECT: B&CT Rates/Reduce Tax on Eligible Small Businesses by 10%

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED April 10, 2000, STILL APPLIES.

OTHER - See comments below.

SUMMARY OF BILL

This bill would allow an eligible small business to reduce its corporate franchise or income tax liability by 10%.

SUMMARY OF AMENDMENT

The May 2, 2000, amendment would require the California Research Bureau to report to the Legislature on or before December 1, 2004, on the effects of the tax reduction proposed by this bill.

The May 2, 2000, amendment does not impact the programs administered by the department. The department's analysis of the bill as amended April 10, 2000, still applies. The Board Position remains pending.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Johnnie Lou Rosas

5/11/00